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From:

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To:

Cc:

Subject: RE: Erroneous Refund Procedures for AARs with Expired 6229 or 6501

1. If erroneous refunds are issued to partners, we can issue a timely FPAA to assess and collect these amounts.
2. If the period for issuing an FPAA has expired, we would have to initiate individual refund actions against each separate partner under section 7405 and 6532(b).
3. The filing of a timely AAR petition by the TMP would not suspend the period for collecting the erroneous refunds, but the AAR suit may determine the correct amount of partnership items on the merits for purposes of the concurrent partner-level erroneous refund suits.
4. Whether erroneous refund suits should be handled by a single IRS counsel office will need to be determined on a case by case basis by the responsible area counsel.